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A New and Revised Edition of *The New York Times* bestseller

THE CARROT PRINCIPLE

How the Best Managers Use Recognition to Engage Their People, Retain Talent, and Accelerate Performance

by Adrian Gostick and Chester Elton

With layoffs almost everywhere and employee morale at an all-time low, it's never been more necessary for companies to get the most of their remaining employees and keep them motivated.

Nothing is proven to do this better than the power of praise and recognition according to a new global survey featured for the first time in the new and revised edition of the *New York Times* bestseller **The Carrot Principle: How the Best Managers Use Recognition to Engage Their People, Retain Talent, and Accelerate Performance** (Free Press; April 7, 2009; hardcover; \$22.95), whose first edition was praised by *The Wall Street Journal* for its "startling data" and called "fascinating" by *Fortune*.

With a new chapter and foreword including additional research findings and case studies of results from Fortune 500 companies, this new and revised edition of **The Carrot Principle** explains how to give your employees the right kind of recognition that will result in productivity and profits. Drawing on seventeen years of experience, authors Chester Elton and Adrian Gostick show beyond doubt that recognition is no longer the softer side of leadership, but a secret ingredient that great leaders add to their companies for direct impact on profits. The message that is not just wise advice but solid fact proven by extensive global data including:

- A new worldwide study conducted by Towers Perrin in fall 2008, whose findings appear for the first time in this revised edition. 10,333 survey respondents in thirteen countries ranging from major economies (Japan, Germany, the United States and the United Kingdom) to emerging markets (Brazil, Russia, India and China) prove that employee recognition is even more necessary in this economy, and works just as well with employees in Bangalore and Beijing as with those in Boston.
- One of the most extensive management studies ever was revealed for the first time in **The Carrot Principle**. Covering 200,000 people over a ten-year period, the study shows that organizations that

are effective at employee recognition are not only substantially more profitable, but have people who are willing to go further, stay later, and take on more.

- The organizations that most effectively recognize excellence have a return on equity (a measure of a company's profitability) that is more than triple that of those that do so the worst.
- 65% of North Americans report that they weren't recognized at all last year; and 79% of top performers who change organizations report a "lack of appreciation" as a key reason.
- Of the people who report the highest morale at work, 94.4% agree that their managers are effective at recognition. In contrast, the majority of employees who report low morale gave their manager a failing grade on recognition.

These groundbreaking results provide powerful evidence that frequent and effective recognition is one of the key characteristics of successful managers and great organizations. But the authors show that a staggering 74 percent of leaders still don't practice recognition with their employees. And many of those who do, neglect to align recognition with the values of their organization to drive business results. The authors not only tell you the right way to give recognition, they offer 125 specific ideas for how you can give your employees recognition in any work situation. You'll also gain free online access to more tools and data findings.

The Carrot Principle presents case studies from some of the world's most successful companies, including The Pepsi Bottling Group, Avis Budget Group, Disney, Quest Diagnostics, DHL, and KPMG, to show how a great company is created not by the CEO or human resources, but by one manager at a time.

The proven, motivating methods in the new and revised edition of **The Carrot Principle** come just in time to help managers free their organizations from the low morale of today's recession-weary workforce to boost productivity and profits.

About the Authors

Chester Elton and **Adrian Gostick** are the bestselling authors of *The 24-Carrot Manager*, *A Carrot a Day*, and *The Invisible Employee*. They have seventeen years of experience advising Fortune 500 firms on how to maximize the benefits of recognition. They have been interviewed by *The Wall Street Journal*, *The New York Times*, *The Economist*, "Today," CNN, CNBC, Fox, MSNBC, and NPR.

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To schedule an interview with Chester Elton and Adrian Gostick, or for additional information and materials, please contact: **Mark Fortier, 212-675-6460; mark@fortierpr.com**

The Carrot Principles includes 125 ideas for recognizing your employees including:

- On a new employee's first day, set expectations high by planning a small celebration. Then send out an email about the new person and why they were chosen to join the team.
- Personally deliver your employee's next paycheck to them. Before you hand it over, spend a few moments defining exactly what they contribute to the company. It's never the money that makes a person feel like a million bucks – it's the praise.
- At the beginning of each day, put three coins in your right pocket. Transfer one to the left each time you reward an employee for a behavior that is critical to your goals, your customers, your employees, and your company.
- Invite an employee to take their spouse on a business trip. Pay for the spouse's airline ticket and extend the trip by one day for some sightseeing.
- How do you recognize a poor performer? Carefully. The idea is to praise even the smallest movement toward valued behavior.

Praise for *The Carrot Principle* by Chester Elton and Adrian Gostick

"Fascinating. Companies that praise topnotch employees are more profitable than those that don't. . . . Full of creative ideas for thanking employees."

--*Fortune*

"A quick, clear read. . . about the low cost and potentially high returns of rewarding employee effort. . . . Includes startling data on the strong correlation between recognition and return on equity."

--*The Wall Street Journal*

"[Illustrates] how recognition can have as much to do with a firm's success as the figures on a balance sheet."

--*Investor's Business Daily*

"After studying more than 200,000 people over 10 years, Adrian Gostick and Chester Elton explain in *The Carrot Principle* that organizations that effectively recognize individuals have more loyal and engaged employees and generate higher profits."

--*Entrepreneur Magazine*

"Ideas that work and--if applied--can revitalize the American workforce."

--*Tucson Citizen*

"Ten years worth of data show that nice guys really do finish first."

--*South Florida Sun-Sentinel*

"A performance reward method to motivate your employees ... (and) get better results."

--*Newark Star-Ledger*